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via ELECTRONIC FILING

Honorable Leonard D. Wexler
United States District Court
Eastern District of New York
814 Federal Plaza
Central Islip, N.Y. 11722-4451

Re: United States v. Gershon Barkany
Docket No.: 13-CR-362

Dear Judge Wexler:

I am writing in response to a letter--containing baseless and false allegations--that was sent to the Court from Alan Katz. Mr. Katz is a lawyer with a law firm that represents some, but not all of the investors who lost money to Mr. Barkany.

His firm has been in ongoing negotiations with Mr. Barkany's civil lawyer Michael Jannuzzi (attached is a letter from Mr. Jannuzzi outlining the inaccuracies and falsehoods in the Katz letter) and the other creditors, some of whom are relatives of Mr. Barkany. Those negotiations which have been mostly congenial apparently took a turn for the worse earlier this week. Mr. Barkany's relatives along with a casino filed a proceeding in Bankruptcy court over Mr. Barkany's objections attempting to force Mr. Barkany into involuntary bankruptcy. The Katz letter is an ill-advised and very clumsy attempt to retaliate against Mr. Barkany because Katz wrongly believes Mr. Barkany was complicit in the bankruptcy filing and is an attempt to force Mr. Barkany to give Katz' clients preference over the other investors. This Court, however, should not be burdened with the fallout from the negotiations between the various creditors.

Mr. Katz is not a party to the matter before the court nor does he represent a party. Mr. Barkany is a defendant in a criminal case brought by the United States government, represented by Christopher Caffarone. Mr. Barkany has a due process right to respond only to the allegations the Government deems worthy to assert and should not be made to answer "rumors" from various 3rd parties. Katz has absolutely no standing to contest a motion made by the defense. His attempt to improperly insert himself into the criminal case should be rejected.

On the merits, Katz has offered not one shred of evidence to support his letter filled with innuendo and false rumor. (See the Jannuzzi letter) Mr. Barkany has been completely compliant with all of his bail conditions, has traveled extensively with the permission of Court and poses no

flight risk at all. He has in fact repaid approximately 32 million dollars, 1.2 million¹ of which has been repaid in the last 8 months. His efforts to earn money to repay the balance of the debt have been going quite well. The suggestion that the money he is in the process of earning is anything but legitimate is slanderous and false. I contacted Mr. Caffarone after receiving the Katz letter and I invited Mr. Caffarone to review with me all of Mr. Barkany's business dealings². We have cooperated fully with the government, have been an open book to any question or inquiry they have made and will continue to do so.

The Court is respectfully urged to disregard the improper filing by Katz and grant the request for travel which was consented to by the government and pre-trial services.

BARKET, MARION, EPSTEIN & KEARON, LLP

By: /s/ Bruce A. Barket
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cc: AUSA Christopher Caffarone (via ECF)

¹ Mr. Barkany received 2 IRS refund checks totaling about 1.2 million which he turned over to his me. I then distributed proceeds to the creditors pursuant to an agreement between Mr. Barkany, all the creditors and with the consent of the Government.

² As one might imagine, the FBI has been overseeing and double checking Mr. Barkany's work where they thought it appropriate and no impropriety has even been alleged. If Katz has information of illegal or unethical conduct he should give it to the FBI for their investigation.